

Socialist Review

For workers' power, democracy and international socialism
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What a bunch of hypocrites!

ACT has recently seized the headlines by campaigning against a planned \$94 million 'executive wing' for Cabinet Ministers.

This is an issue which is appalling to most people, as evidenced by the 200,000 signatures on the ACT petition. It is all the more appalling given the reductions in basic social services which have become the norm over the last thirteen years.

But the fact that ACT has picked up the issue is an act of even worse hypocrisy. The lavish amounts about to be spent on M.P.'s is merely continuing a trend which was started by Richard Prebble and Roger

Douglas in 1984. The bosses of Telecom have huge pay packets and immense profits, yet continue to lay off workers. The boards of CHEs earn up to \$4000 per meeting, at the same time as they cut back on services. The same is true with electricity companies, where domestic consumers subsidise the power supply to big business.

Richard Prebble's stooge 'Susan Grimsdell' rages against the hypocrisy of M.P.'s serving themselves while social services are in decay, ignoring the fact that it was Richard Prebble who was behind the cutbacks originally, and ignoring the fact that ACT would never increase funding to social services in any case.

The fact that people are questioning the necessity for a \$94 million extension to parliament while services to ordinary people are cut leads to bigger questions. How necessary is the Sky Tower? How necessary is the America's Cup? How necessary are all of the flash corporate boxes at every stadium around New Zealand?

The answer is of course that they are not necessary at all. In this skewed system money and facilities vastly disproportionate to any real need are wasted on a privileged elite. ACT and Richard Prebble have no problem at all with this privilege, in fact they would like to extend it even further.

Andrew Tait

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Volatile Cocktail:

Disillusionment, demoralisation, frustration, anger

In the 1990s there is far greater anger about the failure of capitalism, and the Labour and National governments that manage it, to deliver the goods. The reality for workers, beneficiaries, Maori and students has been falling incomes and rising debt. Most recognise that the New Right policies of Labour and National have only served to benefit the small wealthy minority that rules our society. But most also thought that New Zealand's first MMP election would bring about real change.

An opinion poll conducted in the run-up to the election showed that 60-70% thought that it would be harder for governments to push through unpopular anti-working class policies and that politicians would be more accountable. In the election itself 51% voted for parties which campaigned on an anti-National basis – the Alliance, Labour and NZ First.

The coalition talks which effectively put National back in power graphically demonstrated how little had really changed. The spectacle of National being returned to power – against the clear wishes of a majority of voters and even of NZ First's own supporters – has created a mood of disillusionment and demoralisation within the working class.

The anger that was expressed in the strikes and protests of the period from 1990-95 remains, but it is contained to a greater extent by the feeling that we cannot hope to fight for progressive change and win.

The political situation in New Zealand stands in marked contrast with that prevailing in Britain where 18 years of Tory rule has just been ended by Labour's landslide victory. As British socialist Tony Cliff points out, 'Labour's landslide has created a mood of expectation among workers that

reforms are possible'. The MMP election here has had precisely the opposite effect: workers' expectations of change through MMP and parliament have been dashed.

In this context, some have become engulfed by pessimism and think that workers, students and Maori are no longer interested in socialist ideas and the struggle for a better world. Others have responded with an other-worldly sect-like hysteria in which a working class seething with anger could topple a weak, divided and chaotic government at any moment.

Neither of these views connects with reality. In reality the working class is seething with frustration and anger in response to more than a decade of vicious attacks by right-wing Labour and National governments as well as the attacks of bosses under the Employment Contracts Act. But this anger is currently being tempered because the widespread expectations of change coming through MMP have not been realised. And it is an exaggeration to say that the coalition government is weak and divided. In fact, the coalition government is anchored by the continuing dominance of National on the right. Even though NZ First's popularity has declined massively, this need not create any short term problems for the government given the current composition of parliament.

But if it is a mistake to exaggerate

the mood of frustration and anger amongst workers, it is equally mistaken to respond to the recent resurgence of the right with doom and gloom pessimism. The key characteristic of politics in the 1990s is volatility. We have already seen big struggles in New Zealand during the 1990s: opposition to the Gulf War, mass working class opposition to the ECA in 1991, the successful struggle by Seafarers to maintain their union in 1994, a major revival of struggle on the campuses and the biggest wave of Maori protests since the 1960s and 1970s.

Struggles by workers, Maori and students will continue to break out. And it is collective struggle which will restore confidence in our ability to change things for the better. The wildcat strike action by PSA members in Income Support last year, the Waiouru occupation, recent protests over allowances by students and underfunding by childcare workers are all examples of the kind of fightback we need to build.

But in order to build this fightback we all need to develop a clearer understanding of why and how capitalism, the ruling class and the government are causing the problems we face. And we also need to show that while it is true that real change can't come through parliament, real change is possible if we take power in our own hands and use it to build a democratic and socialist alternative.



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Five years after the LA Rebellion:

"No justice, no peace!"

April 29 marked the fifth anniversary of the Los Angeles Rebellion, the biggest urban uprising in US history.

The rebellion began in response to the acquittal of four police officers who beat motorist Rodney King within an inch of his life. During the March 3, 1991 beating, which was captured on videotape and broadcast around the world, cops shocked King with a Taser gun and then hit him with batons 56 times.

When they were done, the cops had shattered one of King's eye sockets, fractured a cheekbone and broken one of his legs. The broadcast of the beating exposed the limitless racism and brutality of the LA Police Department. Minutes before the beating, one of the officers had referred to a Black family's domestic dispute as '*Gorillas in the mist*' on the police radio.

The officers' case was tried before an almost all-white jury in the almost all-white suburb of Simi Valley, which is known for racist attacks. The beating and the officers' acquittal hit home with working class Blacks and Latinos who are regularly harassed by police in cities all over the US.

The rebellion drove police off the streets for a day. It took 6,000 National Guard troops and 4,500 federal troops to retake LA.

Yet the explosion in LA was not only about anger at police brutality and racism but also about years of crippling poverty in inner cities while the bosses became fabulously rich at the expense of workers.

The media portrayed the events in LA as a 'race riot.' They counterposed the beating during the riots of white truck driver Reginald Denny to the images of the King beating, reinforcing the idea that the conflict was between Blacks and whites. However, the targets of violence were for the most part not whites but police and private property.

The exception to this was the conscious and misdirected damage done to Korean-owned stores. As author Mike Davis puts it, Korean shopowners play the role of '*the middleman community between people in the ghetto - Black and Mexican - and big capital.*' The truth is that Koreans themselves face discrimination on a daily basis. Many shopowners complained that police abandoned their stores during the riots to protect downtown office buildings and the more posh neighbourhoods.

The main characteristic of the riots was not the race of the looters but class. Of those arrested, 51 percent were Latino, 36 percent African-American and 13 percent white.

'In cities across the country, all kinds of people led protests against the Rodney King verdict, an issue most Americans agree with regardless of colour.' Los Angeles journalist Luis Rodriguez wrote. *'Although "race" continues to be rammed down our throats, the issue here is class.'* Around the country, millions of people - white and Black - sympathised with the rioters.

A USA Today survey taken right after the rebellion showed that 47 percent of whites and 63 percent of Blacks thought the riots were '*wrong, but understandable.*' The LA rebellion brought the issues of racism and poverty back onto the front pages. A Time poll at the same time showed that 43 percent

of whites and 84 percent of Blacks said the legal system favours whites over Blacks.

And 61 percent of those surveyed said the government spent '*too little*' on programmes to improve the living conditions of Blacks. Last month, LA Mayor Richard Riordan told a conference of the city's top business moguls, '*Today, Los Angeles is not just back [from the rebellion], it's better. It's looking toward the next century with more going for it than any city in the world.*'

But the reality is different. Although racist Police Chief Daryl Gates was forced out, the Los Angeles Police Department remains notoriously brutal. The money promised by big business to repair South Central never materialised. In Hollywood, all of the buildings that were damaged or destroyed have been replaced, but in LA as a whole, one in three buildings destroyed or damaged are still unrepaired, most of them in South Central.

'They say it takes a village to raise a child,' said Brenda Shockley of Youth Fair Chance. *'But this village is on its own.'*

The kind of conditions that led to the LA Rebellion five years ago still exist today. When those explosions take place, even more people will conclude that without justice, there will be no peace.

Elizabeth Schulte

Aussie students say 'NO!' to Voluntary Membership

Young Liberals have failed in their attempt to get students at the University of Western Australia to disaffiliate from the National Union of Students.

Students voted 1,300 to 800 to remain part of NUS. During the summer break, Liberals (Australia's equivalent of the National Party) in the student guild secretly passed a motion calling on UWA to disaffiliate and launched a well-funded campaign prior to the referendum.

They argued that the affiliation fee could be better spent at the university - on things like 'sausage sizzles' - and that NUS is an ineffective organisation that doesn't represent students.

Student activists at UWA fought hard to expose that the

Young Liberals were behind the disaffiliation campaign. They argued that the Liberals wanted to remove any opposition to the Howard government's attacks on students by weakening the student union. They gave the example of the recent back-down by education minister Amanda Vanstone on the Austudy (student allowance) means test as an example of NUS success.

Union activists pointed out that \$1 per student per year is a tiny amount compared to what students are paying in HECS, up-front fees and lack of access to Austudy. Speeches in lectures which explained these arguments were crucial in raising the political level of the campaign.

Wade MacDonald

A mood for change

This – the first Labour government in 18 years – was supposed never to happen. According to the politicians and media commentators, Labour's base had been so eroded by the decline of the working class on the one hand and the advent of Thatcherite individualism on the other that Labour could never form a majority government again.

These same people still deny that Labour's support represents any real shift to the left. Instead they explain the current change in Labour's fortunes by Tony Blair having moved Labour's policies, rather than the ideas of large numbers of people having changed. On this reckoning Labour's popularity is based not on the desire for change but on a supposed inherent conservatism among the British electorate.

So Blair is popular, we are told, because he plans to do little different from what the Tories have done in the past few years. However, this begs the question, why are people so keen to get rid of the Tories in the first place if they agree with the policies the Tories are pursuing.

The answer should be blindingly obvious – government policies are so unpopular that most people voting Labour will in fact do so because they expect something different.

Blair is riding a huge wave of revulsion against Tory policies which has kept him massively ahead in the polls. But those poll leads were already very high long before Blair became leader. There is no evidence that Labour's popularity would have been less if John Smith had continued to be the leader.

So the great contradiction at the heart of Labour's success is that Blair and his coterie believe they are winning votes by adopting Tory policies, while the mass of Labour voters believe they are voting against Tory policies. Even much of the supposedly middle class, middle England support which Labour has been garnering has been on the basis of the need to spend more on education and the National Health Service, or of doing more to protect the old and poor, or of ending the worst excesses of the deregulated market. Gordon Brown's and Tony Blair's pledges to hold down taxes even for the super-rich and to freeze public spending are in direct opposition to such aspirations.

Since the double crisis over coal mine closures and the European Monetary System at the end of 1992, there has been increasing opposition to Tory policies. Opinion polls have repeatedly shown big majorities for 'old Labour' policies such as renationalising the

privatised utilities, imposing a wealth tax on the very rich, spending more on health, education and welfare.

These policies are popular because they appear to address the problems which people face: the gap between rich and poor which has widened under the Tories, the decline of public services, the introduction of the market into areas such as health and education.

There could hardly be a greater contrast between the policies of the ruling elite and their hangers on (which includes the ideologues of New Labour) and the popular aspirations for change which are so apparent among many working people. This contradiction has meant that alongside Labour's popularity in the polls have gone a mounting distrust of Blair and New Labour and an enthusiasm for socialist politics much greater than could have been expected so close to an election.

The campaign around the 500 sacked Liverpool dockers is an example of this. Every week thousands of pounds are collected from trade union branches and rank and file trade unionists for this strike which has never had the official backing of the dockers' TGWU union.

Tens of thousands have lobbied and demonstrated against council spending cuts around the country in the past two months. In Scotland these protests have been on a much bigger scale, as thousands struck and hundreds of thousands demonstrated against Labour council cuts.

None of this is reflected in official politics. Debates there range from incredulity that Labour gained such a massive majority over the Tories to how best pensions and welfare can be cut. At no point is any connection made between the two.

So the mood of anger and the desire for change are clearly reflected in support for struggles and for socialist ideas, but have little public expression in wider society as a whole. Because there is no such clear expression, the ideas come out in different ways. As well as left-wing views there can be bitterness, cynicism, a sense that all politicians are the same, and a sense that nothing can be done to change anything.

Such ideas will only be shifted on a large

scale when struggles take on sufficient size and political weight to begin to change the political agenda and even to alter the balance of class forces.

Even on the left, it is commonly felt that Britain is still a very long way from such a situation. There may be factory occupations, strikes and militant demonstrations in France, Belgium and Germany, the argument runs, but Britain will not see such activity.

Yet we are already beginning to see exactly this sort of activity in Scotland, where a combination of deep cuts plus a level of radicalisation round the question of a Scottish parliament has pushed many into action. It is only a matter of time before such struggles – and much greater ones – also take place throughout Britain.

There are two major reasons why they have not happened so far. One is that the attacks which workers face in Europe have been deeper, more ride ranging and more generalised than anything faced in Britain so far.

Attacks on the British welfare state have been extremely unpleasant, especially for those living on benefits. But the Tories have not yet been confident to attack workers' living standards outright.

This will have to change, whoever is in government. The great unspoken question in this election is what will happen to the massive public sector deficit which the Tories have built up. Attempts to cut this back, which will follow fairly quickly after the election, will mean much more serious cuts and wage freezes of a similar level to those in Europe. There is no fundamental reason why the reaction of British workers should be different from those in continental Europe.

The other reason why struggles have often been held back in Britain is paradoxically that the relative weight of the unions has meant a strong trade union bureaucracy – compared to say France – which has been able to ensure that anger did not burst out into strikes in the months preceding the election. The trade union bureaucracy will continue to play this role under a Labour government but it also has expectations which Blair will be unlikely to fulfil.

Britain can expect extremely stormy times under a Labour government. ■



Tony Blair



The making of Marx

Where did Karl Marx's ideas come from? They built on the great thinkers of the 18th and early 19th centuries, and on the working class struggles and socialist ideas which he encountered as a young man. *Socialist Review* looks at how these influences led to the development of Marxism.

Two notions are constantly drummed into us from early on: first, that great ideas are the product of great individuals who plucked them out of their heads; and second, that these ideas are the motive force of history.

The Marxist tradition argues the opposite: that ideas don't exist in isolation from the conditions in which people live and from the struggles in which they engage. The ideas developed in different historical periods are, therefore, intimately related to people's real, practical social and economic lives. As Marx put it, 'It is not consciousness that determines being, but social being that determines consciousness'.

The problem with the claim that it is ideas that change society is that we can still ask: where do those ideas come from? For example, the dominant ideas current today are ideas that defend capitalist society. But if that is the whole story, how did socialist ideas come into being?

The character of modern society was defined by the three great revolutions of the late 18th century: the American Revolution against British colonial rule, the great French Revolution against absolute monarchy and feudalism, and the industrial revolution. Both the American and French revolutions destroyed the old order but ended in a new form of class domination, that of industrial capitalism whose material basis was created by the industrial revolution.

The two great revolutions against the old order exercised a decisive influence on the ideas of their time. History was now thought of in a new, much more dynamic way. The German philosopher Hegel saw history as the arena within which opposing forces struggle with each other in an

unceasing search for freedom. History moves forward through the conflict of opposites and the resolution of those opposites at a higher level. But for Hegel these conflicts remained purely theoretical.

However, Hegel's vision shared two ideas with that of Marx: that human beings have to fight in order to gain freedom and that modern society contains barriers which prevent the full development of human potential. Both these ideas were inspired by the great revolutions of the late 18th century.

According to the dominant economic theory of the time – the classical political economy, put forward by Adam Smith and David Ricardo – competition on the free market must reign supreme.

Smith and Ricardo also argued that labour was the source of all wealth, a view which fitted the needs of the new industrial capitalists. It encouraged them to try to abolish remaining restrictions on the free movement of labour imposed by the state and the old landowning and merchant classes. At the same time, Ricardo argued that workers received in wages the full value of their means of subsistence – food, clothing, shelter – and that market forces would prevent them from receiving either more or less.

Working class politics were dominated by middle class 'utopian socialists,' such as Robert Owen. The utopians believed that to overcome poverty and injustice, it was necessary to persuade enlightened members of the ruling class to reshape society according to rational and just principles. Their elitism led them to dismiss the idea of workers' self-emancipation.

The working class was still too small, its social and economic role too undeveloped,

its class consciousness too embryonic, for it to be able to leave a decisive mark on the outcome of the great struggles of the late 18th century. Although the American and French revolutions showed that the masses could act to alter the course of history, they resulted in the rise of a new, capitalist ruling class and a new form of exploitation. It was for that reason that Hegel could not raise his interpretation of history and its conflicts above an abstract level. It was still necessary and possible to dress up the historical process in mystical clothing.

For the same reason, as a young student, between 1838 and 1843, Marx was a member of the radical Young Hegelians – revolutionary democrats whose aim was a political struggle to overthrow the autocratic Prussian monarchy. But in 1843 he wrote an article in which for the first time he identified the working class as the means 'to actualise philosophy' and achieve 'full human emancipation'.

In the following years he argued unrelentingly against the Hegelians, that ideas in the abstract weren't the driving force of history, but people, organised in social classes that struggle against each other – that ideas are rooted in the material reality of human society. Against the utopians and reformers he argued that history wasn't made by great individuals but by the masses.

What had enabled Marx to make the leap? With rapid industrialisation, especially in Britain but to some extent in France, Germany and the US, by the late 1820s we can speak of a new working class with a level of class consciousness.

What had created the new class consciousness? Since the late 18th century, the formerly independent small tenant

farmers and artisan masters had been compelled by the capitalists to abandon their small plots or workshops in order to work for wages in the new urban factories. They were subject to the most hideous exploitation and oppression. If they refused to work, they starved.

The new working class's revulsion against the new urban factories into which they were herded was so great that laws were enacted against 'vagabondage' to keep workers in the factories. But from the outset they fought back. They combined in trade unions, and repelled the capitalist government's attempts to outlaw these through the Combination Acts of 1799 and 1800. The combinations survived despite harsh laws and prison sentences. From the Luddite riots in 1811 and 1812 to the Peterloo Massacre of 1819 and the general unionism of 1830-34, the new working class organised and fought back. These fightbacks won the repeal of the Combination Acts in 1824.

Workers had discovered a new power, being together in a place forced on them by the capitalist employer. They were united and disciplined by the very instruments of production which coerced them. The French silk weavers in Lyons rose up in 1831 and 1834. Ten years later, in 1844, German linen weavers in Silesia revolted against their new masters.

Workers rebelled against the power of the capitalist. They fought for higher wages, for factory inspection, for better conditions, for a time limit on the hours of labour. Then the workers turned against the capitalist legislators. In England from 1837-48 they fought for universal suffrage through the Chartist movement and later, through the unions, for the Ten Hour Bill.

But the early working class went even further than challenging capitalist power. From its own experience of cooperative production and collective struggle, it raised the possibility of an alternative. In 1833 a Yorkshire building worker wrote, 'The trade unions will not only strike for less work and more wages, but they will ultimately abolish wages, become their own masters, and work for each other'. The idea of workers' democracy was already being floated. The same building worker went on to advocate 'a parliament of the industrious classes,' or 'house of trades' delegated directly from workshops and mills: 'The lodges send delegates from local to district, and from district to national assemblies'. Based on universal suffrage and annual elections, such a body would replace parliament. The rules of a society of Yorkshire weavers formed in 1832 stated, 'The working classes have created all wealth...[but] instead of being the richest are the poorest of the

community'. The alternative 'is living in community...on the principles of mutual cooperation, united possessions'.

At the same time, industrial capitalism brought crises. The first erupted in 1825 and the second in 1837. The ideas of classical political economy were being buffeted by crises on the one hand and workers' revolts on the other. The early struggles for higher wages and better conditions implicitly questioned the capitalist principle of 'a fair day's wage for a fair day's pay'.

Workers were asking, 'If labour is the source of all wealth, why do labourers become poorer the more they produce?' In other words, they were highlighting the reality of exploitation which is hidden under capitalism and which the ideas of classical political economy were attempting to conceal.

The 1840s was a decade of deepening crisis for the new industrial capitalism. It witnessed a rising wave of class struggle on a Europe-wide front. During his exile in Paris from 1843-45, Marx was greatly affected by his encounter with militant, organised French workers. And in 1844 he met Engels, who had lived in Manchester and impressed on him the misery of its workers.

The Hegelian philosophers in Germany, who had influenced the young Marx, criticised the lack of democracy in the semi-feudal Prussian state but recoiled from the 1844 uprising of the Silesian weavers. Marx, on the contrary, was profoundly influenced by the living movement of workers and wrote, 'The wisdom of the German poor stands in inverse ratio to the wisdom of poor Germany... The Silesian uprisings began where the French and English insurrections ended, with the consciousness of the proletariat as a class'.

It was during these turbulent years that Marx discovered the significance of the working class: that it is the potential bearer of a new socialist order, not simply because it is oppressed but because its role in production forces it to act collectively.

Marx was also able to go beyond liberal economics. At the heart of his socialist economic theory is the idea that the capitalist system is based on the exploitation of labour. It was easy to see that in previous class societies the labourer was exploited – for example, under slavery or feudalism. But the classical economists claimed that, under capitalism, the worker was free: he or she agreed on a wage with the employer and could choose to work or not to work for this or that capitalist.

Surely this society was different, based as it was on the free exchange of labour for wages? Marx proved that under capitalism workers were exploited just as

they had been under slavery or feudalism. The difference was that whereas the slave was tied to the individual slaveowner and the serf to the individual landowner, the worker under capitalism was tied not to an individual capitalist but to the capitalist class as a whole.

Marx thus developed a 'materialist' theory of history: to understand any epoch, we must look first at the way people produce their means of subsistence. This in turn is always related to definite kinds of social relations or forms of exploitation. The basic features of feudalism were, first, agricultural labour based on technically low methods of production, and, secondly, a system of social relations in which the feudal lord exploited the serf. While Marx heaped praise on the industrial capitalists who had overthrown feudalism, revolutionised traditional methods of production and, in so doing, transformed society, he argued that their greatest achievement was the forging of the revolutionary working class itself, their own 'gravedigger'. Hence, for the first time, a revolution by the majority in the interests of the majority became possible. That revolution is the only way in which workers can transform not only society but also themselves, throwing off 'the muck of ages,' in order to be fit to run the new society.

The 1848 revolution was the first in which the working class appeared as an independent actor on the historical stage. The workers in Paris set up barricades and presented economic demands which were aimed not only against the king but against the capitalists as well. The capitalists, having united with the workers against the monarchy, now turned against the workers and their troops massacred them. In 1848, Europe discovered the reality of the class antagonism between capitalists and workers.

In *The Communist Manifesto*, published just weeks before the outbreak of the February revolution in France, Marx and Engels argued that this struggle is the dynamic of industrial capitalism, the soil in which grows the seed of socialism. A socialist society has to be international just as the revolution itself could not be contained within national boundaries.

With the defeat of the European revolutions in 1850, Marx spent a lot of his time in the British Museum. But he was never an ivory tower thinker. For him, theory was always linked to working class action which it seeks to illuminate in order to be a guide for future action. 'Philosophers have merely interpreted the world; the point is to change it'.

To the end of his days, Marx remained first and foremost a revolutionary fighter. ■

**More Coalition attacks on jobs,
education, health, Maori.....**

Why hasn't MMP changed anything?

MMP promised a radical change to New Zealand politics. Yet we now have an even more right-wing government in power. *Brian Roper* explains where real power lies in our society.

In the run-up to the first MMP election there was a widespread expectation that the new electoral system would bring about real change.

In the twelve long years from 1984 to 1996 the fourth Labour Government, and the National Government which followed it, implemented policies that benefited the small wealthy minority that rules our society.

Everyone else – workers, students and beneficiaries – suffered wage cuts and poorer working conditions under the Employment Contracts Act, rising university fees, debt and pathetic allowances, and benefit cuts in order to help make the rich even richer through massive tax cuts.

The effect of all of this was to increase inequality in New Zealand at a faster rate than any other advanced capitalist country during the 1980s and 1990s. By 1994, according to the right-wing *Economist* magazine, New Zealand had become the third most unequal advanced capitalist country behind Australia and the US.

It was this, combined with the lies and countless broken promises of both Labour and National, that created unprecedented anger and disillusionment with New Zealand's system of government. A majority (53.9%) voted in favour of a change to MMP in the 1993 referendum because they thought that if the electoral system was made more representative then governments would be forced to act more in accord with what people wanted them to do.

Anti-Asian Racism

This didn't happen. Yet again politicians promised one thing before the election and delivered something else after it. This time the biggest liars were in NZ First. Anti-Asian racist, Winston Peters and his 'corporate warrior' cronies, built support through the racist scapegoating of Asian immigrants

for problems such as unemployment, hospital waiting lists, education cuts, and the alienation of Maori land.

NZ First said that Asians were taking 'our' jobs, using 'our' schools and hospitals, and buying up 'our' houses and 'our' land. In all of this Winston Peters failed to point out that as a former National Cabinet Minister he himself had helped to create the problems in these areas. In reality these problems have not been caused by immigration but by the tax cuts for the rich, wage & benefit cuts for the poor, policies introduced by both Labour and National since 1984. And not all Pakeha have been involved in land rip-offs – it is the government, capitalists and farmers who between them control the overwhelming bulk of the total land area and fisheries.

NZ First also campaigned on an anti-big business, anti-National platform. Winston Peters initially built popularity through highlighting the extent to which New Zealand's biggest companies were engaging in enormous tax scams to avoid paying tax, and then consolidated this through racist attacks on Asians and rhetorical attacks on National.

This political bullshit undermined support for the Alliance which had failed to consistently denounce Peters as the racist that he is. It also obscured the real cause of the major problems that we face – capitalism.

Capitalism and Democracy

The system that we live under – capitalism – centrally involves the exploitation of workers by capitalists. We produce the goods and services, they accumulate the profits. This exploitation is only possible because as workers we are systematically excluded from real control over our workplaces,

the allocation of resources, social institutions like schools, hospitals, and universities, and government.

This fundamental lack of democracy is at the absolute heart of capitalism. It can not survive as a system unless the majority of the population who work for a living are subject to the authoritarian dictates of the boss, the manager and the politician.

The Parliamentary Swindle

It is obvious that in most areas of society there is no democracy. But this does not matter, our rulers tell us, because there is democracy in parliament. We get to elect who governs us every three years and if we don't like what they do when they are in power we can throw them out at the next election.

Now most of us know that this doesn't work. Despite the fact that the overwhelming majority opposed the New Right policy agenda, Labour and National both adopted and implemented this agenda. And despite the fact that 51% voted for parties which presented themselves as anti-National (Alliance 10%; Labour 28%, NZ First 13.4%), National was kept in power by NZ First.

In the weeks following the election in October 1996 a *National Business Review* opinion poll showed that 63% of NZ First supporters opposed a coalition with National and that a similar majority wanted NZ First to enter a coalition with Labour. But this did nothing to stop Peters from forming a coalition with National in order to land himself the Deputy Prime Minister spot.

Karl Marx aptly summed up the situation when he described parliament and elections as a 'democratic swindle'. As the American revolutionary socialist Hal Draper put it, for Marx parliamentary elections constituted a swindle because representative democracy is a form of democracy which prevents genuine democratic control from below.

At first glance this isn't very clear. The point is that parliamentary elections appear to be democratic when *in reality* they function to exclude the majority from participating in government. Just think about the way the system works.

First, it involves electing a small number of representatives to rule on our behalf (predominantly wealthy, white and male). Once they are elected they can do what they like for 3, 4 or 5 years (depending on the country in question). We have no way of recalling them if they fail to represent us. In short, elections act to exclude the majority of citizens from direct active participation in government.

Second, in order to fund expensive advertising campaigns parliamentary parties need money and the overwhelming bulk of this money comes from big business. Labour, National and Act all received massive corporate funding compared to the Alliance prior to the last election.

This made it easier for National to emerge as the dominant party, for Labour to re-emerge as the dominant party to the left of National, and for Act to get over the 5% threshold to gain eight seats. And it made it extremely difficult for the Alliance to get its message across, despite the undoubted popularity of many of its policies amongst the working class.

Big business pays, and in politics it generally gets what it pays for – governments that act in the interests of the ruling class.

Third, within parliament itself power is heavily concentrated

in Cabinet. In fact major decisions tend to be made behind the scenes by Cabinet Ministers in conjunction with top-ranking bureaucrats (particularly those in Treasury) and business leaders.

Fourth, the real power in society lies outside parliament. The key decisions about our workplaces and the allocation of economic resources are made behind closed doors in the boardrooms of the big companies. Company directors and chief executive officers (CEOs) decide whether or not we will have a job next week, whether, when and where new investments will be made, and so forth. We have absolutely no say in these decisions whatsoever. Indeed, the entire society outside parliament is generally organised in a hierarchical and authoritarian manner (the only significant exceptions being within some working class organisations).

Why socialists are for democracy

Our society is riddled with inequalities of class, gender and ethnicity. Unemployment, hospital waiting lists, housing shortages, falling real wages, less employment security and poorer working conditions, pitiful welfare benefits and poverty, dearer power and phone bills, violence: these are the realities we face in our daily lives in capitalist society today.

In the day-to-day struggles socialists argue for more democracy within our own organisations and movements. Why do we argue for more democracy?

Experience has shown that those unions which are more democratic are more effective in defending and advancing their members interests. For example, the Engineering Union is one of New Zealand's least democratic unions and it is also the least effective. It has staged countless sell-outs of the workers it supposedly represents and has consistently failed to generate agreements as good as those obtained by the more militant and more democratic unions affiliated to the Trade Union Federation. In contrast to the Engineers, the Seafarers Union successfully defeated the attempt to deunionise the Cook Strait Ferries in 1994, and has secured much better contracts for its members since then. This is because the union has a long history of rank-and-file militancy and democratic decision-making through regular paid stop work meetings.

And when Maori, women or students are fighting, the most successful movements and campaigns have been those which are most democratic. For example, the fees campaign at Otago involving mass occupations each year from 1993 to 1996 has been built through regular meetings of activists in the Education Action Group in which the major decisions have generally been made by the majority involved. The direct participatory involvement of everyone involved in organising a protest is central to the success of that protest.

Strikes and protests are essential to defend our interests within the system. But because the system operates to benefit a small minority of wealthy rulers at our expense, there are ultimate limits to our day-to-day struggles. As socialists we argue that there is no solution to the big problems we face – inequality, unemployment, poverty, sexism, racism – as long as capitalism exists. In order to create a society in which there is genuine equality, democracy and freedom we have to get rid of capitalism through a revolution.

Continued on page 14

Socialism

Capitalism is a system of crisis, exploitation and war in which production is for profit, not human need.

Although workers create society's wealth, they have no control over its production or distribution. A new society can only be built when workers collectively seize control of that wealth and create a new state in which they will make the decisions about the economy, social life and the environment.



where

we

stand

and judiciary cannot be taken over and used by the working class.

They grew up under capitalism and are designed to protect the ruling class against workers.

There is no parliamentary road to socialism.

Internationalism

Workers in every country are exploited by capitalism, so the struggle for socialism is part of a worldwide struggle.

We oppose everything that divides workers of different countries. We oppose all immigration controls.

We campaign for solidarity with workers in other countries. We oppose imperialism and support all genuine national liberation struggles.

Liberation From Oppression

We fight for democratic rights. We are opposed to the oppression of women, Maori, Pacific Islanders, gays and lesbians. These forms of oppression are used to divide the working class. We support the right of all oppressed groups to organise for their own defence.

All these forms of liberation are essential to socialism and impossible without it.

Tino

Rangatiratanga

We support the struggle for tino rangatiratanga.

Maori capitalists and politicians have no interest in achieving tino rangatiratanga for working class Maori.

The Government and corporate warriors' approach to Treaty claims has benefited a Maori elite while doing little for working class Maori.

Tino rangatiratanga cannot be achieved within capitalism. It will only become a reality with the establishment of a workers' state and socialist society.

Revolutionary Organisation

To achieve socialism, the most militant sections of the working class have to be organised into a revolutionary socialist party. Such a party can only be built by day-to-day activity in the mass organisations of the working class.

We have to prove in practice to other workers that reformist leaders and reformist ideas are opposed to their own interests.

We have to build a rank and file movement within the unions.

We are beginning to build such a party, linking the ideas of revolutionary socialism to workers' struggles against the system. If you agree with our ideas and want to fight for socialism, we urge you to join us.

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Socialist Review is different from the capitalist media – we don't pretend to be unbiased. We eagerly support and give the viewpoint of every struggle against the system. And unlike the mainstream press, we don't have any wealthy big businesses bankrolling us so we say the right things. That's why we need your support. We want to expand *Socialist Review*, producing more of the articles and analysis that socialists can't find anywhere else.

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June 19: The anti-Vietnam War protest movement

July 3: Out, proud and fighting - The struggle for gay liberation

July 10: Film Censorship in NZ

July 17: Mandela and the crisis of reform in South Africa

July 24: The state of the unions

July 31: The road to Tiananmen Square

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**"Philosophers
have merely
interpreted
the world.
The point is
to change it."
— Karl Marx**

What will

socialism

? be like

**Won't a
socialist
revolution
↓
lead to
tyranny?**

This is probably the most basic objection to the idea of a socialist transformation of society. The whole experience of Stalinism – of despotic and exploitative regimes that call themselves socialist – has reinforced the idea that power tends to corrupt, that revolution will simply bring into being another form of oppression and exploitation.

To see why this is wrong, consider what Karl Marx, the founder of the revolutionary socialist tradition, meant by socialism. He described it as 'the movement of the immense majority, in the interests of the immense majority'. Socialist revolution would mean, he believed, not the abolition of democracy, but its radical extension.

Marx's model was the Paris Commune of 1871, where the standing army and police were abolished, and all officials were paid average workers' wages and made subject to regular election and immediate recall. Lenin, the main leader of the Russian Revolution, saw in the soviets, or workers councils, which emerged during it, the beginnings of a new form of state where the majority producers themselves for the first time directly exercised political power.

So Marx and Lenin viewed socialism as the transformation of society from below. From this standpoint, Stalinism amounted, not even to a deformed version of socialism, but a counter-revolution, the destruction of everything the original revolution stood for. We have always called the USSR and its like *state capitalist* countries, in which the working class were as exploited as they were in the West.

The fundamental cause of the Stalinist counter-revolution was the fact that the original workers' revolution in Russia didn't spread to other, more advanced countries. The revolutionary regime was subjected to a blockade by the Western capitalist powers which devastated the economy. The industrial working class, in any case a minority in a predominantly peasant country, disintegrated, and so the soviets became empty shells.

So the most important lesson of the Russian Revolution is that, for socialist democracy to survive and to flourish, the revolution, even if it begins in a particular country, must spread across the globe.

**But what would this
socialist
democracy be like?
How would it
differ from liberal
democracy
as it exists today
under
capitalism?**

The most important difference is that democratic decision making would spread throughout the whole of the social body. Prevailing capitalist democracy separates political power, which is formally subjected to democratic rules (even though they're often ignored or twisted in practice), and economic power, which is exercised by a small number of unelected bosses. This separation would go. The workplace would provide the basic unit of the new socialist democracy, electing delegates to local, regional, national and (as the revolution spreads) international congresses.

Representative democracy, first developed by the emerging capitalist class when it was still revolutionary, would thus be extended beyond the sphere of politics narrowly understood, as decisions about what and how to produce passed into the hands of elected delegates. It would also be strengthened, since these representatives would be subject to regular re-election and liable to instant recall, thus making them accountable in a way that MPs never are.

Democracy also requires open discussion and choices between genuine alternatives. Both are limited by the power of capital in contemporary society. Here again socialism would present an extension of democracy. Access to the media would not be restricted to those with the wealth to buy newspapers and television networks.

Freedom of debate, however, isn't effective without the ability to choose between political parties offering different programmes. A workers' state would, like any other state, have the right to defend itself against counter-revolutionary forces seeking its overthrow. But any party willing to work peacefully within the framework of the new state would be free to compete for influence in the workers' councils and would be guaranteed access to the media.

**It sounds as if your
kind of socialism
involves getting rid
of the market. But
surely everyone
agrees that we can't
do without the
↓
market?**

A market economy is essentially a form of anarchy. Economic priorities aren't decided collectively, but are the outcome of the blind competition between different firms, each out to make as large amounts of profits as possible. This is an enormously wasteful economic system – look at the vast resources used to build office blocks that nobody wants. It's also a very dangerous setup, since uncontrolled competition is having a potentially catastrophic effect on the environment.

What socialism means economically is simply that we should collectively decide what uses to make of the available resources, and regularly monitor how these decisions are working out in practice. That's what planning amounts to. It's really straightforward common sense, and it's a symptom of the fact that capitalism is, as Marx put it, a 'topsy turvy world,' that planning is pilloried as an unrealistic idea. In fact, lots of planning takes place within the framework of capitalism – big companies draw up quite long term plans about investment projects, for example – but this framework means that the planning is fragmented and disorganised. Moreover, decisions are imposed from above with the people directly affected having no say.

Socialist planning, by contrast, would be part of the extension of democracy mentioned earlier. So not simply would the big firms which dominate every modern economy be taken into public ownership, but the individual workplaces would be democratically managed by those working in them. The producers themselves would then have to co-ordinate their decisions. Those affected by a particular investment decision – producers, consumers, residents – would cooperate to find the outcome most consistent with all their interests. Rather than economic power flowing vertically from the top, as it does under capitalism, it would flow horizontally, between the different workplaces and industries, as the producers sought democratically to coordinate their activities. ➡

Wouldn't abolishing the market deprive people of the incentive to work?

Marx had a very realistic view of how socialist society would develop. He believed that no society can come into existence without the appropriate material and social conditions. The new socialist society, as it emerged amid the ruins of capitalism, would be, he said 'in every respect, economically, morally, and intellectually, still stamped with the birthmarks of the old society, from whose womb it emerges'.

It's easy enough to think of examples of these 'birthmarks'. All the racism, sexism, and individualism bred into people by capitalism wouldn't disappear overnight. It would take time, a lengthy process of transition, to overcome the inheritance of capitalism. So Marx distinguished between what he called 'the higher and lower phases of communist society'.

The first phase would be marked by the establishment of forms of socialist democracy and planning which we've already looked at. But it would still make concessions to the capitalist past. One of these would be the basis on which goods and services would be distributed to people. These would be allocated on the principle, 'From each according to his [sic] capacity, to each according to his works'.

People's claim to a share of the proceeds of society's labour would depend on what they themselves put in (unless, of course, they were too young or too old or too ill to work). Clearly this 'contribution principle' would mark progress compared to capitalism, where the bosses and their hangers on live off the labour of others. But Marx believed that it still involved a degree of inequality that would be unacceptable in the long run. The more skilled workers would receive a higher income than the less skilled, while those with more dependants would find themselves worse off than those with fewer.

But, as the socialist society entrenched itself – above all thanks to the success of the revolution globally – it would become possible to move towards what Marx called 'the higher phase of the communist society'. This would be based on the principle, 'From each according to his abilities, to each according to his needs'. It would require a change in people's attitude to work, which would have 'become not only a means of life but life's prime want'. People would work not just in order to survive but because they found the labour they performed fulfilling, and therefore were prepared to put into society whatever they could and receive in return what they needed.

This profound change in attitudes would depend on the transformation of labour itself during the transition to full communism. The introduction of workers' self-management would have been part of a broader set of changes breaking down what Marx called 'the antithesis between mental and physical labour'. Workers would have ceased to be mere cogs in the machine, learning instead how collectively to control their own labours. This transformation would depend on putting technology to new uses.

For example, information technology would cease to be a way of increasing managerial control and sacking workers, and become an instrument of democracy.

The higher phase of communist society would also depend on reaching a sufficiently high level of material abundance. People would only be prepared to give to society freely if they were sure of having their basic needs met. Sometimes the idea of communist abundance is interpreted as meaning that people could have anything they wanted. It's easy to see that this requirement is physically impossible to achieve – what, for example, if I wanted the whole of London to myself?

More realistically, the abundance which full communism presupposes is of those goods and services required to meet people's basic needs – food, clothing, heating, light, education, transport, and health treatment. One way of detecting the approach of full communism is by the production of these goods and services in sufficiently large quantities that they can be supplied free. The closer society approaches to this point, the more the market withers and ceases to become relevant.

Communism would thus require the further development of the productive forces, the means of producing wealth for society. What makes socialism possible in the first place is the way in which capitalism itself expands these forces in some respects – above all, food production – scarcity is already abolished. People starve today, for example, not because there's not enough food but because they lack the money to buy it. Socialism will be able to deal with this quite quickly, but it will still have to develop the productive forces further before all basic needs could be met in abundance.

Plainly a balance would have to be struck between this requirement and the need to avoid further damage to the environment, and to begin to reverse the damage already caused. Socialist planning is the only framework in which these problems could be addressed, but undoubtedly difficult choices would sometimes have to be made between the priorities of economic growth and those of the long term survival of the human species.

But would this communist society involve treating everyone as the same, reducing people to a drab uniformity?

Absolutely not. Marx defined communism as 'an association in which the free development of each is the condition of the free development of all'. The point of communism, in other words, is to allow people each to realise their own distinctive abilities. The communist society

"...the free development of each is the condition of the free development of all"

provides the framework in which this individual self development can be achieved.

Sometimes the pursuit of individual self realisation would undoubtedly lead to conflict. People want different things and, given that the resources available would not be unlimited, sometimes all these wants couldn't be met simultaneously. The basic democratic mechanisms of free debate and majority decision-making, which socialist revolution had extended throughout society, would still be needed to resolve these conflicts.

Nevertheless the fact that these conflicts would take place against the background of material abundance (at least in respect of basic needs) would take the edge off them. Engels predicted that the state would wither away under communism. The state, he argued, was in its essence a specialised apparatus of coercion – the army, police, courts, and prisons – existing to defend the interests of the exploiting minority. This would begin to change after the socialist revolution, since state power would now be used by the exploited majority against the surviving capitalists.

But, as socialism triumphed worldwide and material abundance drew nearer, the need for organised coercion would diminish. The democratic mechanisms set in place by the revolution would assume a larger and larger role in resolving disagreements. A limited degree of coercion might still be needed from time to time where the odd individual or group wasn't prepared to respect majority decisions, but these cases could be expected to be exceptional and wouldn't require the kind of elaborate repressive apparatus beloved of class society.

For the most part, however, disagreement and debate wouldn't represent a problem for communist society but rather the motor force of its development.

Leon Trotsky imagined political parties being formed 'over the question of a new gigantic canal, or the distribution of oases in the Sahara... over the regulation of the weather and the climate, over a new theatre, over chemical hypotheses, over two competing tendencies in music, and over a best system of sports'.

Far from being dull and uniform, this would be a society permeated by a ferment of creation, experiment and debate. It would have the dynamism and vitality of capitalism, but would replace its anarchy and exploitation with democracy and cooperation.

This was the vision of the future which inspired Marx and later revolutionary socialists to sacrifice their lives to the struggle against capitalism. Today, in a world thronging with the horrors denounced by Marx 150 years ago, it is still a vision worth fighting for. ■

REVIEWS

Dunedin Film Festival

Brothers in trouble

Somehow, when I was marking crosses next to all the films I wanted to watch at the latest Film Festival (coming soon to a city near you, if it hasn't already been), I must have had a subconscious yearning for sweeping vistas and snowy landscapes. The themes of imprisonment and claustrophobia also seem to be prevalent this year. Of the five films I saw (two of which I will write about here), only Udayan Prasad's *Brothers in Trouble* stopped short of the snowy theme, although it was certainly about claustrophobia and imprisonment.

The film deals with the fear in which illegal Pakistani immigrants in Britain in the sixties lived. In the film, fear exists as a political ideology that is culturally reinforced by each occupant in the two-up two-down house in which 17 such immigrants are forced to live. Thus, when Prasad exploits such racial stereotypes as the 'Pakistani huddle' where the immigrants follow each other everywhere, he is showing the political and cultural relevance of such gestures; the immigrants must keep each other literally in sight to guard against anything that could lead to their being discovered.

The jobsite in the film is a wool-cleaning factory, which sets up a comparison to Blake's 'dark satanic mills', and thus *Brothers in Trouble* is about the exploitation of labour. The film does not directly take on those who profit most from the illegal labourers – the capitalist factory owners – but they are conspicuous by their absence. Instead, the exploiters are the middlemen, the Pakistani businessman cum landlord who is true to his class position rather than his nationality when he packs the immigrants 17 to a house, and the factory supervisor who takes on illegal labourers because he doesn't have to offer minimum wages and conditions.

Although these are the concerns of *Brothers in Trouble*, the narrative focuses on the 'brothers' life in the house and the threat that is introduced in the form of a bright and lively young Irishwoman who herself represents the working class Irish who emigrated legally across the Irish Sea but were treated little better than the Pakistani labourers. When one of the tenants moves her into the house, their terror is thrown into sharp relief, and their worst fears eventually realised.

Brothers in Trouble is a fabulous film. It respects its characters and never settles for glib stereotypes. From the start when the central character, Amir, is shown through the slats of a packing container to the end when he walks from the asylum in which his friend is housed into an archetypal English meadow full of summer flowers, Prasad keeps the class commentary running. He doesn't slip once.

The Day the Sun Turned Cold

The sun never shined in *The Day the Sun Turned Cold*. The film deals with the lives of peasants in northeast China and uses unrelenting snow as a metaphor for the harshness of rural peasant life. *The Day the Sun Turned Cold*, made by Hong Kong director Yim Ho, is based on the true story of a 26 year old man who reports his mother to the authorities for murdering his father a decade before. By the time he has forgiven his mother for his father's death and her remarriage, it is too late – the wheels of bureaucracy are moving.

The story is told through conversations between the young man and the long suffering police commander and through flashbacks to his early life in a northeast Chinese province. While commentators describe the film as containing a simple Freudian moral of the mother-son father-son relationships, the concentration on the unpaid economic activities of the mother make the film much deeper than that. It is her economic activities that occupy Yim Ho and, by extension, us. While the father, Guan Shichang, is a school teacher, and thus probably well paid, little attention is given to his contribution to the household. Pu Fengying runs the house and makes and sells beancurd – an activity that also encompasses their children who tow the beancurd through the village on their sleds in the freezing cold.

When Guan Jian returns to the village with the police ten years after he left, he asks his mother to make beancurd for him, although she has not done so since her remarriage. She obliges, and while he is nostalgic for the steam-filled room that was at the centre of his childhood, we see the reality of Pu Fengying's life as she exerts her weight against the giant grindstone that turns round and round on top of the beans. While the son's relationships with his parents are the narrative focus and provide the chilling denouement, *The Day the Sun Turned Cold* is also an exploration of a woman's unpaid labour within the family and her lack of choices in life.

Like *Brothers in Trouble*, the film does not caricaturise its cast, although it would have been easy to do so, and nor does it try for the simple moral. The dead Guan Shichang was not an abusive husband, nor was Pu Fengying a victimised wife, they were both trapped within their economically determined social roles and although the son comes to realise this, this realisation comes too late.

Fiona Bowker

A revolution is a movement of the immense majority, acting in the interests of the majority. These mass largely spontaneous movements throw up new forms of democracy – workers' councils or soviets. It is the workers' councils which form the core of the new radically democratic workers state.

As British socialist John Molyneux argues: "the reason that we can predict this role for workers' councils is not that it has been laid down in tablets of stone by Marx, but that every workers' revolution,

and every attempted workers' revolution in this century, has created such bodies or the embryos of such bodies. The first workers' council or soviet, as it was called, arose in St Petersburg in Russian during the 1905 revolution. Later examples are the Russian soviets of 1917, the workers' councils of Germany in 1918-19, and the Central Workers' Council of Budapest in 1956. Examples of embryonic councils are the factory councils in Italy in 1919-20 and the cordones in Chile in 1972."

Workers councils govern every level of society from workplaces, to schools

hospitals and universities, to the democratic institutions of the workers' state itself. Society itself becomes fully democratic. And once society becomes democratic it is possible to end class exploitation and inequality, women's oppression and all forms of racism.

This is the future socialist society that we must fight to build in order to eliminate inequality, exploitation, crisis, and war. And that is why we want you to join the International Socialist Organisation. We need you to help us build a democratic organisation fighting for a democratic world. ■



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socialist **Review**

Build the fees fightback!

In 1990, Lockwood Smith following pledged to resign unless student fees were abolished when he became education minister.

In 1991, with Lockwood Smith as Minister of Education, a tiered fee structure was introduced, study right was brought into being, and students were offered loans to pay for their education – at interest. For the first time, to study was equated with amassing a debt and for some (particularly women), the debt will be a lifelong one.

According to the New Zealand University Students' Association, the per EFTS funding to universities from the government has declined in real terms by 8.2%. For Polytechnics and Colleges of Education, funding has declined by 18.1% and 26.7% respectively. Universities pass these funding declines directly to students in the form of massive fee hikes. Fees have risen from \$125 a year in 1989 to anywhere from \$1500 to \$18,000 in 1997.

These are the highest fees paid in any developed country in the world. In Scandinavia, France,

Germany, and even Greece and Portugal, no fees at all are charged for the bulk of tertiary education and in the United States, where fees are quite high, there is a much more comprehensive system of financial support and scholarships than is available in New Zealand.

Student allowances are more dis-incentives than tertiary incentives. Only about 25% of students get an allowance, and how much a student gets depends on a number of seemingly unlikely factors, such as the student's age, marital status, income, and – for students under the age of 25 – even the income of parents is taken into account. The allowance does not take into consideration such factors as the childcare needs of student parents or the needs of students with disabilities.

The unemployment benefit is much more simply decided; it is based entirely upon individual income and that's all.

Lockwood's promise regarding the abolition of tertiary fees finds an echo in the 1996 New Zealand First/National Party coalition document which states, in regard to the allowances system:

'The Government will work, within its first term of office, towards a universal system of living allowances for tertiary students as part of a comprehensive system of youth income support that gives comparability between unemployed job seekers and students'.

Another empty promise?

By far the most crippling component of student economic hardship is the Government Student Loans Scheme. In 1997, students owe \$2 Billion in student loans. By the turn of the century, it is likely that this amount will exceed even the National Debt. It has been said that the costs of administering the scheme are greater than any repayments made. With the threshold for loan repayments set at \$14,300 many graduates find themselves struggling just to keep up with payments on the interest.

The New Zealand system is one of the only systems in the world requiring loan repayments to be made while the student is still at university, and few loans schemes contain an interest component.

The NZ University Students' Association has called a series of National

Weeks of Action again this year to protest against these attacks on tertiary funding. It's important to support these protests or else Bolger and his friends will be able to claim that education cuts are a 'dead issue'.

But we need to go much further than the student associations have so far been prepared to go. University workers – both academic and general – face the same kind of attacks on their conditions and risk redundancy in many cases. If students want to win their fight for universal tertiary access then we will have to link up with these workers and bring the universities to a grinding halt.

Whatever the vice-chancellors and other top university officials say they are **not** on our side – their interests lie firmly with the Business Roundtable and in making the universities elite institutions for the very rich only.

We need a fightback that unites all university students and staff against the Coalition and their friends in the Registries.

**Aussie students
reject VSM- see p. 4**